Divisions Affected – All

CABINET 16 September 2025

School Catering Services and Corporate Cleaning Contract Report of Education and Young People Overview & Scrutiny Committee

RECOMMENDATION

- 1. The Cabinet is **RECOMMENDED** to
 - Note the recommendations contained in the body of this report and to consider and determine its response to the Education and Young People Overview and Scrutiny Committee, and
 - b) Agree that, once Cabinet has responded, relevant officers will continue to provide each meeting of the Education and Young People Overview & Scrutiny Committee with a brief written update on progress made against actions committed to in response to the recommendations for 12 months, or until they are completed (if earlier).

REQUIREMENT TO RESPOND

2. In accordance with section 9FE of the Local Government Act 2000, the Education and Young People Overview & Scrutiny Committee requires that, within two months of the consideration of this report, the Cabinet publish a response to this report and any recommendations.

INTRODUCTION AND OVERVIEW

- The Education and Young People Overview and Scrutiny Committee
 considered one report on School Catering Services and one on the Corporate
 Cleaning Contract at its meeting on 11 July 2025. The reports set out the
 proposals being explored for finding alternatives to the Council running these
 services itself.
- 4. The Committee would like to thank Cllr Dan Levy, Cabinet member for Finance, Cllr Sean Gaul, Cabinet member for Children and Young People, Lorna Baxter, Executive Director of Resources and Section 151 Officer

- (Deputy Chief Executive), Vic Kurzeja, Director of Property and Assets, and Anthony Hulsman, Head of Property Operations, for attending to present the reports and to answer the Committee's questions.
- 5. As the Committee grouped the discussion of the items, and as the recommendations which arose apply largely to both topics, this one report will relate to both of the reports received by the Committee.

SUMMARY

- 6. The Cabinet member for Finance, Property, and Transformation introduced each report in turn and set out the background to each item. Both services had previously been run by Carillion and had returned to the Council in 2018 following Carillion's collapse. Despite the Council's efforts, the difference in scale available to Council-run operations and a firm the size of Carillion had made it very difficult for the Council to do so cost-efficiently. Fundamentally, the Council could not afford to continue to run its own school catering service. Similarly, it was not considered viable for it to continue to run its own cleaning service.
- 7. It was, therefore, considered necessary to explore alternative options. Given the commercial sensitivity of the details provided in the respective annexes to the reports, which set out the details of the proposals being considered, the Committee resolved to exclude the public and to go into private session.
- 8. It would not, therefore, be appropriate to set out the discussion in too much detail but topics explored included whether there were any tenable alternatives. There was also consideration of the impact on these proposed changes to rural schools in particular as well as the Committee seeking assurance that working conditions and terms of employment would be maintained and not weakened.
- 9. The Committee was grateful for assurances given but makes two recommendations, the first about safeguarding the services received by rural schools and the second relating to maintaining employment rights.

RECOMMENDATIONS

10. The report on school catering to the Committee set out that pressures had grown as a result of various factors. Funding for Free School Meals (Free School Meals) and UFISM (Universal Free School Meals) had remained largely static and had not kept pace with increases in the costs of providing the service. A lack of ringfencing in devolved budgets to schools had not guaranteed that all allocated funding had been shared with the provider and the cost of the COVID pandemic had far outstripped any funding provided, given that the closure of school premises to all but vulnerable pupils had resulted in significant financial loss for a lengthy period.

- 11. The Committee recognised the financial challenges but did so with a level of regret. Members were particularly conscious of the impact on smaller schools where on-site catering facilities were impracticable. Where the service was run by the Council principally for schools maintained by the Council, members could be instinctively satisfied that the needs of those schools would be paramount when considering service delivery. Where the service was provided by an external provider, there was a concern that smaller settings might not be seen as a priority when compared to those settings more easily profitable. The Committee was keen that that commitment to schools of all sizes and in all settings should be appreciated and met by any new provider.
- 12. The Committee was pleased to hear that there was an awareness of the challenges faced by smaller, rural schools and that this was being considered and taken account of by officers in preparing recommendations for alternatives to the current arrangements. The Committee was also pleased by the Cabinet member's acceptance of the importance of this during its meeting.
- 13. Similarly, the Committee was concerned that a move to a more cost-efficient service could lead to a diminution in the quality and provenance of the food provided to school pupils. The Committee would consider that extremely regrettable. The Committee was advised that part of the Council's assessment of alternative providers was to ensure that similarly good quality food would be provided, including to those with dietary requirements. The Committee was pleased to hear this.
- 14. Whilst pleased to hear these assurances in Committee, the Committee was of the view that, such was the importance of these matters, it was appropriate to make a formal recommendation to Cabinet in the expectation of a formal commitment. Regardless of which option was to be recommended in the future, and regardless of which option was subsequently approved, the Committee considers it vitally important that the Council should work to protect rural schools and ensure that all schools receive high-quality catering services.

Recommendation 1: That the Council should outline the specific measures it has taken to ensure that rural schools are protected and that all schools will receive high quality catering services.

- 15. Another key issue which the Committee explored was rights and conditions of existing staff. The Committee established that staff would be transferred under Transfer of Undertaking (Protection of Employment) regulations, with their existing terms and conditions maintained.
- 16. The Committee recognised that did not preclude future redundancies and accepted that, under previous similar transfers, redundancies had been very largely avoided and that there had been proactive engagement with the trade unions and staff and that staff terms, conditions, and pensions, had been honoured by the new provider.

- 17. The Committee was keen to ensure that the same concerns were central to consideration around these current proposals. The Committee considers that the Council has a duty of care to current cleaning staff, including those for whom it might be particularly challenging to find alternative employment, and that it is imperative that the Council recognises and acts upon that moral duty when engaging in such contract negotiation.
- 18. The Committee was pleased to hear that the intention was to engage proactively with staff and the trade unions, to inform them of the situation, their rights under TUPE, and to offer support through both well-being services and direct engagement opportunities. The Committee was also pleased to hear a recognition of the importance of protecting vulnerable workers and a determination to ensure that the new contracts ensure their needs are considered and supported.
- 19. Again, given the importance of this issue to both the Committee and to the Council's staff, the Committee considers it appropriate to present this formally to Cabinet as a recommendation.

Recommendation 2: That the Council should set out the specific steps it will take to ensure that the rights and interests of existing staff members will be protected, and that trade unions will be consulted and engaged throughout the process.

FURTHER CONSIDERATION

20. The Committee does not currently anticipate considering these topics again during this municipal year and recognises that they would ordinarily fall under the purview of the Performance and Corporate Services Overview & Scrutiny Committee.

LEGAL IMPLICATIONS

- 21. Under Part 6.2 (13) (a) of the Constitution Scrutiny has the following power: 'Once a Scrutiny Committee has completed its deliberations on any matter a formal report may be prepared on behalf of the Committee and when agreed by them the Proper Officer will normally refer it to the Cabinet for consideration.
- 22. Under Part 4.2 of the Constitution, the Cabinet Procedure Rules, s 2 (3) iv) the Cabinet will consider any reports from Scrutiny Committees.

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Annex: Pro-forma Response Template

Background papers: None

Other Documents: None

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